The Risk Management Approach

A concept for balancing risks with mission needs

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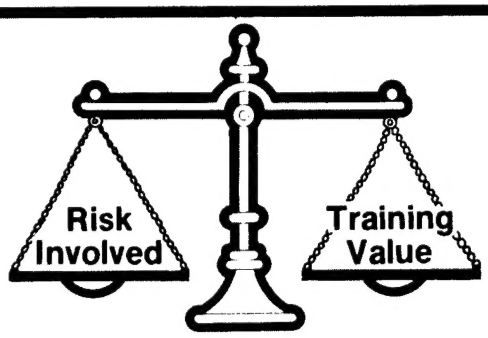
One of the most controversial issues associated with Army readiness concerns a perceived dichotomy between realistic training and safety. On one hand, commanders must conduct hard, tough, realistic training—to train as they will fight. On the other hand, they are critically aware that safety is paramount. This seems to be demanding the impossible, as if realistic training and safety are incompatible partners in a marriage destined to fail.

Basically, the problem lies in a failure to integrate the requirement for safety with the demand for realistic combat training. Each element is too often viewed separately, and, in the process, safety is erroneously seen as an inhibitor to training. Yet, nothing could be further from the truth. The fact is, effective realistic training can be conducted with an acceptable risk factor. Simply stated, safety is a by-product of risk reduction. A high degree of safety can be achieved through the systematic management of inherent mission risks.

Essentially, the risk management approach is the identification of risks associated with a particular operation and the requirement to weigh these risks against overall training value to be gained. Any increase in the level of difficulty in the mission produces a corresponding increase in the risk involved.



a concept for balancing risk with mission needs

To illustrate this, let's examine, in a somewhat hypothetical sense, the evolution of the Army training mission. There was a low level of risk associated with the training mission of 20 years ago when, for example, the Army needed a basic rifleman trained to walk, run, or crawl on the battlefield. Training for most soldiers was consistent with that requirement. Accidents did happen to the rifleman, but the basic tasks of the job at that time really didn't require a major effort from a safety point of view. Even the hazards that did exist were relatively obvious—explosives, weapons, heavy equipment.

Today just about every soldier, even the rifleman, is also a system specialist in one regard or another.

Today's equipment has inherent hazards; a lot of it is complex and expensive, and it's relatively easy to damage. Today's training hazards are less apparent and not instantly evident . . . and a single mistake by a single soldier can produce a catastrophic accident.

The Army demands much higher standards of performance from today's soldiers than from the recruits of 20 years ago.

Because the Army must be prepared for worldwide contingencies, training must be conducted in European, arctic, jungle, and desert conditions. We are operating our equipment at night with night vision devices and training under combat conditions around the clock during intensive field training exercises.

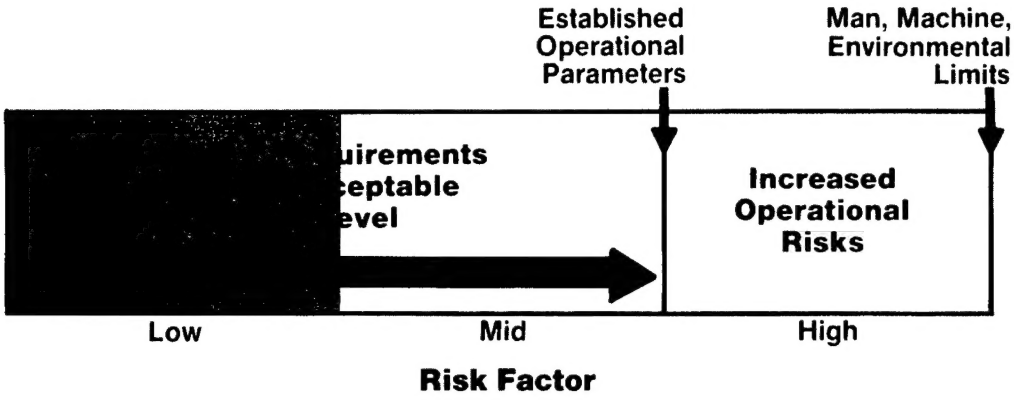
This demanding readiness training severely tests the abilities of Army leaders to balance risks with training mission needs.

As the Army training mission has become increasingly more demanding, the overall level of risk inherent in that mission has risen. This overall increase in level of risks puts greater demands on commanders—risk managers—to first minimize the risks inherent in an operation and secondly to reconcile inherent risks with essential mission needs.

Risk management is the term used to describe the systematic process for doing this. By applying this process, safety and mission never conflict; rather they are balanced at a point producing optimum overall benefit to the organization. **The risk management process begins by clearly defining mission requirements and then establishing acceptable risk factors. This is done by identifying risks associated with mission operations and weighing them against the training benefit to be gained.**

The Risk Management Process

1. **Risk Identification**
   This is risky, this isn't.
2. **Risk Evaluation and Quantification**
   This risk is this great.
3. **Risk Reduction**
   Risk can be reduced by this and this.
4. **Risk Decisionmaking**
   This risk we can live with, this we can't.
5. **Risk Decision Followup**
   Is the risk and benefit as projected?
6. **Risk Research**
   What is the risk? What risk is essential?



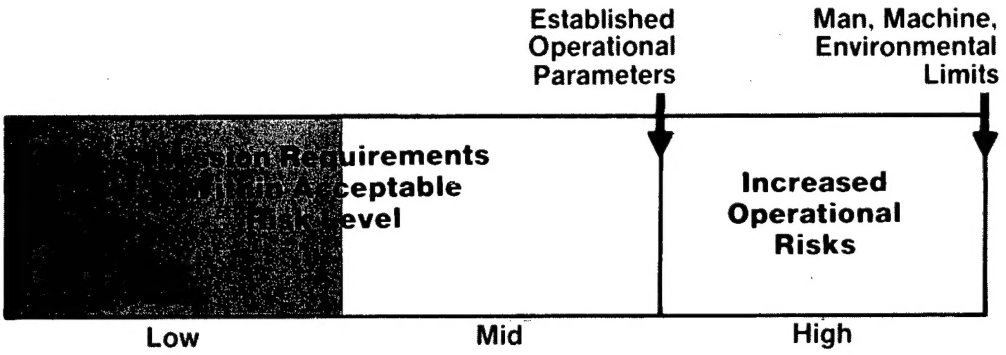
The key is not accepting preventable risks. Preventable risk is risk that can be reduced or eliminated by establishing operational parameters within the constraints of existing resources and technology without unacceptable impediment of the mission. Operational parameters can be tailored by controlling the variables affecting the mission, for example, illumination levels, time standards, weather criteria, and so forth. Beyond these parameters, the risk level is unacceptable for noncombat operations.

Now let's apply this concept to a transportation unit in the rear area. The unit mission generally does not warrant the acceptance of risk greater than "low." Most risk associated with the mission is preventable.

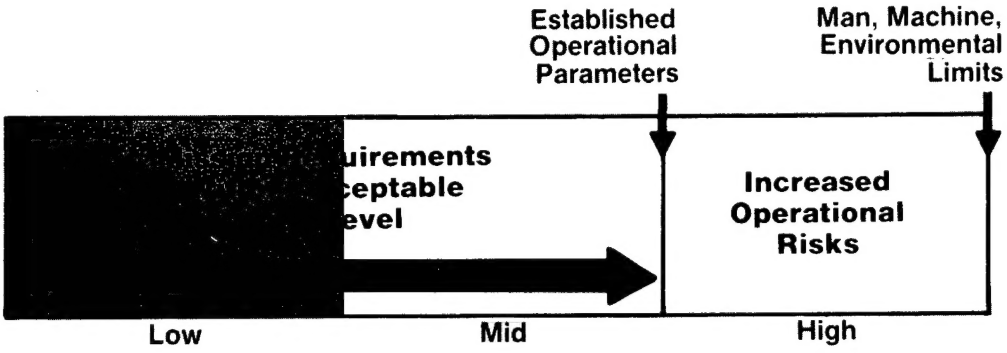
Let's apply the same process to an infantry or armor unit in Germany. Based on mission demands, the level of acceptable risk is far greater. When an element of risk is unavoidable in accomplishing the training mission, commanders must establish realistic operational parameters which ensure that overall mission benefits clearly are warranted and clearly exceed the overall potential cost of the risk itself.

The key factor in detecting significant risk is to maintain a strong organizational mission perspective.

Let's now discuss the risk management concept payoff. Based on mission requirements, acceptable risk levels are established. As unit proficiency increases due to training and/or improvements in equipment, operations within the



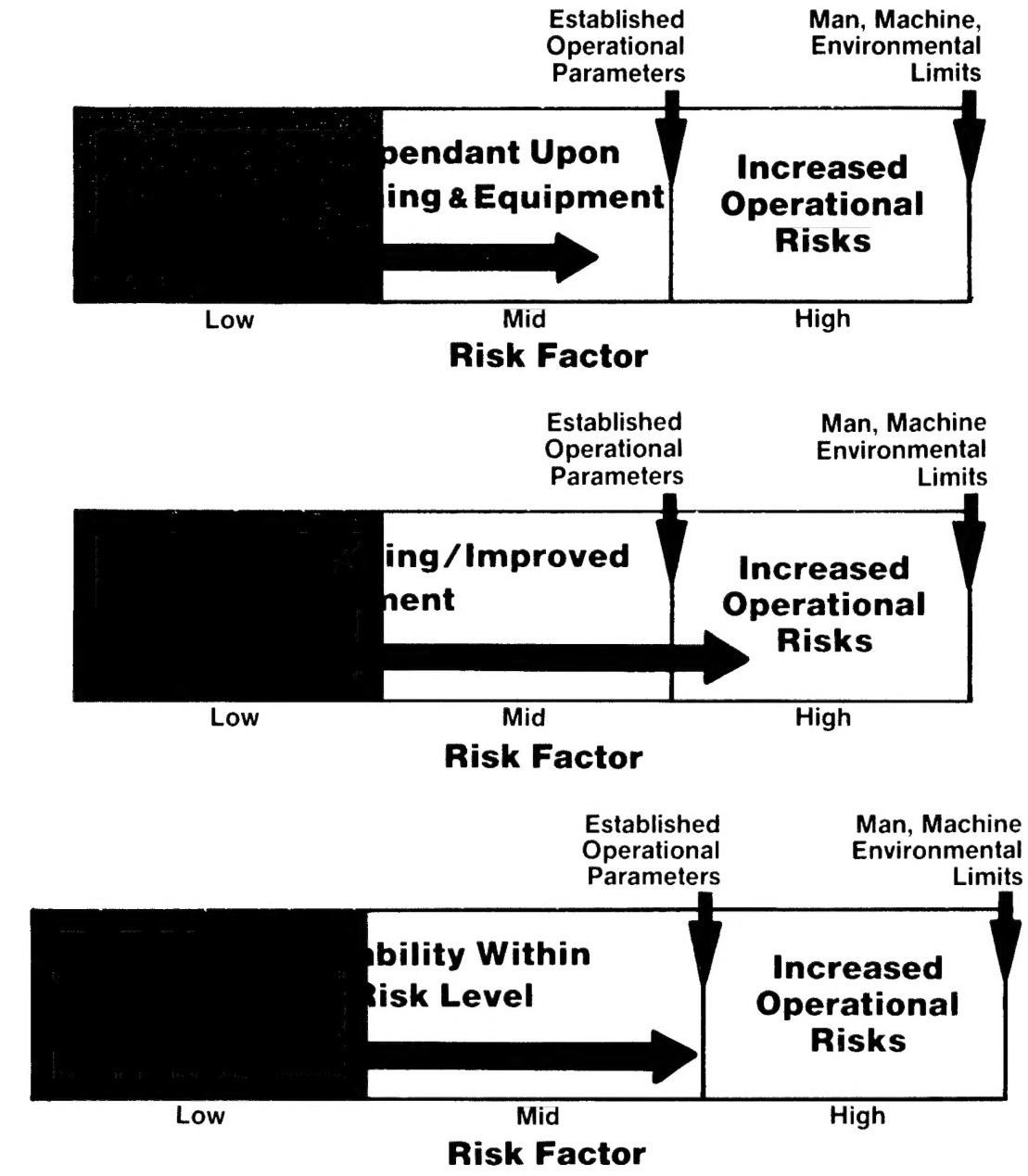
Transportation Unit in the Rear Area



Infantry or Armor Unit in Germany

green area of acceptable risk are expanded. Sustained training and improved technology provide an improved balance of risk. This improved capability will then allow the unit to expand operations into the high risk zone, beyond the operational parameters previously set for normal operations. Penetration into this zone of increased risk is knowingly and carefully done for a clearly predetermined training benefit essential to mission accomplishment. The further into the zone, the greater the risk. This in turn demands a higher level of risk management decision, more careful planning, and more stringent consideration of any controllable variables.

The level of the decision maker should correspond to the level of the risk. The greater the risk, the more senior the final decision maker should be. When in the high-risk zone, everyone from commander to squad leader must be aware of



the risk implications. By-the-book disciplined operations are mandatory. All controllable risk variables must be controlled.

Carefully planned operations in the high-risk zone based on risk management decisions will give commanders an increased operational capability within acceptable risk levels. The risk management approach gives commanders as much capability as possible with the least amount of potential risk. However, the level of capability must be realistically assessed based on

mission requirements. If the unit mission does not require the capability that would be gained from operating in the higher risk zone, the commander can cash in his improved proficiency as a result of sustained training and improvements in equipment for a higher margin of safety within the previously established levels of risk acceptance.

In conclusion, the problem is not one of choosing between realistic training and safety. We have no such choice to make. If we are to be capable of performing effectively in combat, we must have realistic training. By the same token, if we are to conserve our resources so we can perform our mission in combat, we must have safety. . . both in the combat environment and in tactical training.

Advantages of Risk Management for Command

- **Detect risks before losses**
- **Quantify risk**
- **Provide risk reduction alternatives**
- **Better management decisions**
- **Greater integration of safety**
- **Increased mission capability**

Six things leaders can do to save lives and equipment

1. **Set high standards.** Set and enforce high operating standards in every activity of your unit. Safety is a by-product of professionalism, of doing the job right the first time every time. By-the-book, disciplined operations are mandatory.
2. **Know your soldiers.** Know their training status and their qualifications. Test new people's knowledge, regardless of whether or not they have been previously operator certified. This applies to weapons, every type of moving equipment, even gas masks—all equipment.
3. **Know your equipment.** Know its capabilities and its condition. Numerous check sheets and publications are available to guide you.
4. **Apply dispatch discipline.** Many accidents involve equipment that should not even be out of the motor pool or off the helipad. Commit the use of equipment only when necessary, only when it can contribute to genuine training in the unit mission. Tough-minded dispatch discipline reduces exposure to accidents.
5. **Manage risks in training.** Integrate the requirement for safety with the demand for realistic combat training. A high degree of safety can be achieved through the systematic management of inherent mission risks.
6. **Maintain awareness.** Be constantly aware of the mission-critical importance of safety in all your operations. You cannot allow yourself to relax your vigil and become complacent when everything is running smoothly. Continuous awareness of the requirement for integrating safety into all day-to-day unit operations is essential to maintaining peak readiness.

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